

18/10/2000

Apply knowledge to everything you do, says PM

PETALING JAYA, Tues. - Datuk Seri Dr Mahathir Mohamad has thrown a challenge to Malaysians to take a fresh perspective on everything they do - the cyberspace way.

The Prime Minister challenged them to think about how they could do the things they are already doing in a "better and more profitable way" by applying knowledge and access to data.

In providing an everyday approach to the Knowledge Economy, he said he knew that many were still suspicious about such an "airy fairy" term.

The k-economy, he explained, was really about information and knowledge leading to better products and services.

Even growing sawi can be a k-economy activity if farmers use the Internet to get information on how best to grow sawi or to link supply and demand more efficiently, he said.

"The knowledge economy is all about learning," he said at a conference on 'Knowledge and the 21st Century Economy' organised by the MCA English Speaking Membership Bureau.

Knowledge had always played a role but today it refers more to the speed of communication and spread of information.

"Everything that anyone needs to know is at their fingertips, literally," he said. "The deciding factor is the skill and speed with which one uses the information in order to make decisions. This depends on the depth of a person's knowledge."

Speaking of e-commerce, Dr Mahathir said while everyone knew about it, it took one man with ideas to come up with Amazon.com.

"Suddenly, billions of dollars worth of worldwide business," he said, "opened up to this man with an unknown company."

(Amazon.com was started by Jeff Bezos, its American founder and now CEO, as a website that sold only books but has since expanded to offer music CDs, electronic products, health care products, software and even automobiles.)

Because of his pioneering e-commerce efforts, Bezos was Time magazine's 1999 Person of the Year.)

Since then, everyone has jumped on the bandwagon, pushing the shares of dotcom companies up to unrealistic levels until the bubble eventually burst, Dr Mahathir said.

However, this does not mean that dotcom companies are inherently unprofitable, he said, but that too little attention has been paid to the economics of business.

"As is usual with business, good management and proper accounting of the real potential will yield good returns."

Dr Mahathir said Malaysians must embrace the new economy but should not place too high an expectation on it.

The most attractive feature of e-commerce, he said, was its global nature and lack of restrictions.

"E-commerce companies which are only a few years old have been known to buy up major corporations which are more than a century old," he said, noting that experience may actually be a hindrance as it was difficult to change a mindset.

The Prime Minister also noted how the new economy destroyed old ways of doing business, a process often referred to as "creative destruction" but said it was too early to determine whether this was good or bad.

"What we do know is that the destruction may be considerable," he said, "and there will be disruptions and instability."

At a dialogue later, Dr Mahathir touched on the digital divide and urged hardware and software manufacturers to lower their cost substantially to ensure that the poor were not left behind.

Malaysia was trying to bridge the gap by conceiving smart schools but this could not be done overnight, he said.

(END)